

SERFF Tracking Number: ARKS-125597523 State: Arkansas  
Filing Company: 44725 - 1st AUTO & CASUALTY INSURANCE COMPANY State Tracking Number: #41632 \$50  
Company Tracking Number: 2008 15  
TOI: 20.0 Commercial Auto Sub-TOI: 20.0001 Business Auto  
Product Name: Commerical Auto Program  
Project Name/Number: /

## Filing at a Glance

Company: 44725 - 1st AUTO & CASUALTY INSURANCE COMPANY

Product Name: Commerical Auto Program

SERFF Tr Num: ARKS-125597523

State: Arkansas

TOI: 20.0 Commercial Auto

SERFF Status: Closed

State Tr Num: #41632 \$50

Sub-TOI: 20.0001 Business Auto

Co Tr Num: 2008 15

State Status: Fees verified and received

Filing Type: Form

Co Status:

Reviewer(s): Betty Montesi,  
Llyweyia Rawlins, Brittany Yielding

Author:

Disposition Date: 04/25/2008

Date Submitted: 04/07/2008

Disposition Status: Approved

Effective Date Requested (New): 07/01/2008

Effective Date (New): 07/01/2008

Effective Date Requested (Renewal): 07/01/2008

Effective Date (Renewal):  
07/01/2008

State Filing Description:

## General Information

Project Name:

Status of Filing in Domicile: Authorized

Project Number:

Domicile Status Comments:

Reference Organization:

Reference Number:

Reference Title:

Advisory Org. Circular:

Filing Status Changed: 04/25/2008

State Status Changed: 04/15/2008

Deemer Date:

Corresponding Filing Tracking Number:

Filing Description:

## Company and Contact

### Filing Contact Information

NA NA,

NA@NA.com

SERFF Tracking Number: ARKS-125597523 State: Arkansas  
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COMPANY  
Company Tracking Number: 2008 15  
TOI: 20.0 Commercial Auto Sub-TOI: 20.0001 Business Auto  
Product Name: Commerical Auto Program  
Project Name/Number: /

NA (123) 555-4567 [Phone]

NA, AR 00000

**Filing Company Information**

44725 - 1st AUTO & CASUALTY INSURANCE CoCode: 44725 State of Domicile: Arkansas

COMPANY

No Address

Group Code:

Company Type:

City, AR 99999

Group Name:

State ID Number:

(999) 999-9999 ext. [Phone]

FEIN Number: 99-9999999

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<i>SERFF Tracking Number:</i>	<i>ARKS-125597523</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>44725 - 1st AUTO &amp; CASUALTY INSURANCE COMPANY</i>	<i>State Tracking Number:</i>	<i>#41632 \$50</i>
<i>Company Tracking Number:</i>	<i>2008 15</i>		
<i>TOI:</i>	<i>20.0 Commercial Auto</i>	<i>Sub-TOI:</i>	<i>20.0001 Business Auto</i>
<i>Product Name:</i>	<i>Commerical Auto Program</i>		
<i>Project Name/Number:</i>	<i>/</i>		

## Filing Fees

Fee Required?	No
Retaliatory?	No
Fee Explanation:	
Per Company:	No

SERFF Tracking Number: ARKS-125597523 State: Arkansas  
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COMPANY  
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TOI: 20.0 Commercial Auto Sub-TOI: 20.0001 Business Auto  
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## Correspondence Summary

### Dispositions

Status	Created By	Created On	Date Submitted
Approved	Llyweyia Rawlins	04/25/2008	04/25/2008

SERFF Tracking Number:	ARKS-125597523	State:	Arkansas
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Company Tracking Number:	2008 15		
TOI:	20.0 Commercial Auto	Sub-TOI:	20.0001 Business Auto
Product Name:	Commerical Auto Program		
Project Name/Number:	/		

## Disposition

Disposition Date: 04/25/2008  
Effective Date (New): 07/01/2008  
Effective Date (Renewal): 07/01/2008  
Status: Approved  
Comment:

Rate data does NOT apply to filing.

SERFF Tracking Number: ARKS-125597523 State: Arkansas

Filing Company: 44725 - 1st AUTO & CASUALTY INSURANCE State Tracking Number: #41632 \$50  
COMPANY

Company Tracking Number: 2008 15

TOI: 20.0 Commercial Auto Sub-TOI: 20.0001 Business Auto

Product Name: Commerical Auto Program

Project Name/Number: /

Item Type	Item Name	Item Status	Public Access
Supporting Document	Uniform Transmittal Document-Property & Casualty	Approved	Yes
Supporting Document	ARKS-125597523		Yes

<i>SERFF Tracking Number:</i>	<i>ARKS-125597523</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>44725 - 1st AUTO &amp; CASUALTY INSURANCE COMPANY</i>	<i>State Tracking Number:</i>	<i>#41632 \$50</i>
<i>Company Tracking Number:</i>	<i>2008 15</i>		
<i>TOI:</i>	<i>20.0 Commercial Auto</i>	<i>Sub-TOI:</i>	<i>20.0001 Business Auto</i>
<i>Product Name:</i>	<i>Commerical Auto Program</i>		
<i>Project Name/Number:</i>	<i>/</i>		

## Rate Information

Rate data does NOT apply to filing.

SERFF Tracking Number:	ARKS-125597523	State:	Arkansas
Filing Company:	44725 - 1st AUTO & CASUALTY INSURANCE COMPANY	State Tracking Number:	#41632 \$50
Company Tracking Number:	2008 15		
TOI:	20.0 Commercial Auto	Sub-TOI:	20.0001 Business Auto
Product Name:	Commerical Auto Program		
Project Name/Number:	/		

## Supporting Document Schedules

		<b>Review Status:</b>
<b>Satisfied -Name:</b>	ARKS-125597523	04/25/2008
<b>Comments:</b>		
<b>Attachment:</b>		
ARKS-125597523.pdf		





P.O. Box 7988 ■ Madison, WI 53707-7988  
(608) 242-4505 ■ (800) 261-2886  
Fax: (608) 242-4514 ■ Website: 1stauto.com

April 2, 2008

ARKANSAS INSURANCE DEPARTMENT  
PROPERTY & CASUALTY DIVISION  
1200 WEST THIRD ST  
LITTLE ROCK AR 72201-1904

Approved until withdrawn  
or revoked

Re: Commercial Auto-Farm Truck Program  
Rate, Rule and Form Filing

APR 25 2008

Arkansas Insurance Department  
By: *LR*

Dear Sir or Madam:

The following changes will apply to our Commercial Auto Program.

Enclosed are the following:

1. Property & Casualty Transmittal Document
2. Copy of Manual Page
3. Postage paid return envelope
4. Filing Fee

The planned effective dates of the files are:

New Business	7/1/08
Renewal Business	7/1/08

Please feel free to contact me via phone or e-mail.

Sincerely,

*William D. Viney*  
William D. Viney, CIC, CPCU, AIM  
Underwriting Manager


Attachments

**RECEIVED**

APR 07 2008

PROPERTY AND CASUALTY DIVISION  
ARKANSAS INSURANCE DEPARTMENT

## Property &amp; Casualty Transmittal Document

<b>1. Reserved for Insurance Dept. Use Only</b>  <p style="text-align: center;">Approved until withdrawn or revoked</p> <p style="text-align: center; font-size: 1.2em;">APR 25 2008</p> <p>Arkansas Insurance Department By: </p>	<b>2. Insurance Department Use only</b> a. Date the filing is received: b. Analyst: c. Disposition: d. Date of disposition of the filing: e. Effective date of filing: <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;">New Business</div> <div style="width: 45%;"></div> </div> <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;">Renewal Business</div> <div style="width: 45%;"></div> </div> f. State Filing #: g. SERFF Filing #: h. Subject Codes
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<b>3.</b>	<b>Group Name</b>	<b>Group NAIC #</b>
	WRC Group	490

<b>4. Company Name(s)</b>	<b>Domicile</b>	<b>NAIC #</b>	<b>FEIN #</b>	<b>State #</b>
1 <sup>st</sup> Auto & Casualty Insurance Company	WI	44725	391707938	

RECEIVED

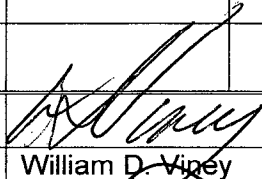
APR 07 2008

PROPERTY AND CASUALTY DIVISION  
ARKANSAS INSURANCE DEPARTMENT

<b>5. Company Tracking Number</b>	2008 15
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**Contact Info of Filer(s) or Corporate Officer(s)** [include toll-free number]

<b>6.</b>	<b>Name and address</b>	<b>Title</b>	<b>Telephone #s</b>	<b>FAX #</b>	<b>e-mail</b>
	William D. Viney	Und Manger	608-441-3185	608-441-3117	wwiney@1stauto.com

<b>7.</b> Signature of authorized filer	
<b>8.</b> Please print name of authorized filer	William D. Viney

**Filing information** (see General Instructions for descriptions of these fields)

<b>9.</b>	<b>Type of Insurance (TOI)</b>	20.0000 Commercial Auto
<b>10.</b>	<b>Sub-Type of Insurance (Sub-TOI)</b>	20.0001 Business Auto
<b>11.</b>	<b>State Specific Product code(s)(if applicable)[See State Specific Requirements]</b>	
<b>12.</b>	<b>Company Program Title (Marketing title)</b>	Farm Truck Program
<b>13.</b>	<b>Filing Type</b>	<input type="checkbox"/> Rate/Loss Cost <input type="checkbox"/> Rules <input type="checkbox"/> Rates/Rules <input type="checkbox"/> Forms <input checked="" type="checkbox"/> Combination Rates/Rules/Forms <input type="checkbox"/> Withdrawal <input type="checkbox"/> Other (give description)
<b>14.</b>	<b>Effective Date(s) Requested</b>	New: 7/1/08      Renewal: 7/1/08
<b>15.</b>	<b>Reference Filing?</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>16.</b>	<b>Reference Organization (if applicable)</b>	
<b>17.</b>	<b>Reference Organization # &amp; Title</b>	
<b>18.</b>	<b>Company's Date of Filing</b>	04/04/08
<b>19.</b>	<b>Status of filing in domicile</b>	<input type="checkbox"/> Not Filed <input type="checkbox"/> Pending <input checked="" type="checkbox"/> Authorized <input type="checkbox"/> Disapproved

**Property & Casualty Transmittal Document—****20. This filing transmittal is part of Company Tracking # 2007 AR CA Rate 1****21. Filing Description** [This area can be used in lieu of a cover letter or filing memorandum and is free-form text]

1<sup>st</sup> Auto is amending the Arkansas Farm Truck Program to include cargo transportation coverage for insured owned farm products and livestock.

In addition we are withdrawing the Experience Rating Schedule (claims free discount). If an existing policy has nay experience rating discounts or surcharges that have been applied, they will be changed to Individual Risk Premium Modification credits or debits.

1<sup>st</sup> Auto does not have creditable commercial auto/farm truck volume in the state. Currently our commercial auto program writes less than 25 policies in the state with less than \$25,000 of written premium.

**22. Filing Fees** (Filer must provide check # and fee amount if applicable)  
[If a state requires you to show how you calculated your filing fees, place that calculation below]

**Check #: 41632**  
**Amount: \$50**

**Refer to each state's checklist for additional state specific requirements or instructions on calculating fees.**

**\*\*\*Refer to the each state's checklist for additional state specific requirements (i.e. # of additional copies required, other state specific forms, etc.)**

**FORM FILING SCHEDULE**

(This form must be provided **ONLY** when making a filing that includes forms)  
**(Do not refer to the body of the filing for the forms listing, unless allowed by state.)**

<b>1.</b>	<b>This filing transmittal is part of Company Tracking #</b>				
<b>2.</b>	<b>This filing corresponds to rate/rule filing number</b> (Company tracking number of rate/rule filing, if applicable)				
<b>3.</b>	<b>Form Name /Description/Synopsis</b>	<b>Form # Include edition date</b>	<b>Replacement Or withdrawn?</b>	<b>If replacement, give form # it replaces</b>	<b>Previous state filing number, if required by state</b>
01	Owner's Cargo Coverge	1 <sup>ST</sup> CA 00 09 03 08	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
02			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
03			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
04			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
05			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
06			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
07			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
08			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
09			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
10			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		

PC FFS-1

## RATE/RULE FILING SCHEDULE

(This form must be provided ONLY when making a filing that includes rate-related items such as Rate; Rule; Rate & Rule; Reference; Loss Cost; Loss Cost & Rule or Rate, etc.)

**(Do not refer to the body of the filing for the component/exhibit listing.)**

<b>1.</b>	<b>This filing transmittal is part of Company Tracking #</b>	<b>2008 AR CA Rate 1</b>		
<b>2.</b>	<b>This filing corresponds to form filing number</b> (Company tracking number of form filing, if applicable)			
<input type="checkbox"/> Rate Increase <input type="checkbox"/> Rate Decrease <input checked="" type="checkbox"/> XXX Rate Neutral (0%)				
<b>3.</b>	<b>Overall percentage rate impact for this filing</b>	N/ A		
<b>4.</b>	<b>Effect of Rate Filing – Written premium change for this program</b>	None		
<b>5.</b>	<b>Effect of Rate Filing – Number of policyholders</b>	None		
<b>6.</b>	<b>Filing Method (Prior Approval, File &amp; Use, Flex Band, etc.)</b>	Prior approval		
<b>7.</b>	<b>Rate Change by Company</b>			
	<b>Company Name</b>	<b>Percentage Change for this program</b>	<b># of policyholders for this program</b>	<b>Written premium for this program</b>
	1 <sup>st</sup> Auto & Casualty	0%	0	\$20,512
<b>8.</b>	<b>Overall percentage of last rate revision</b>	None		
<b>9.</b>	<b>Effective Date of last rate revision</b>	10/1/07		
<b>10.</b>	<b>Filing Method of Last filing (Prior Approval, File &amp; Use, Flex Band, etc.)</b>	Prior approval		
<b>11.</b>	<b>Exhibit Name/Description /Synopsis</b>	<b>Rule # or Page #</b>	<b>Replacement or withdrawn?</b>	<b>Previous state filing number, if required by state</b>
01	Manual rate page	Page 15	<input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn <input checked="" type="checkbox"/> Neither	
02			<input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn <input type="checkbox"/> Neither	
03			<input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn <input type="checkbox"/> Neither	
04			<input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn <input type="checkbox"/> Neither	
05			<input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn <input type="checkbox"/> Neither	

To be complete, a rate/rule filing must include the following:

1. A completed Rate/Rule Filing Transmittal document (PC RRFS-1) (Do not refer to the body of the filing for the component/exhibit listing.) and,
2. A completed Property & Casualty Transmittal Document (PC TD-1) and,
3. One copy of all rate/rule components/exhibits submitted with the filing, and
4. The appropriate state review requirements, if required, and
5. The appropriate filing fees, if required, and
6. A postage-paid, self-addressed envelope large enough to accommodate the return
7. You should refer to the each state's checklist for additional state specific requirements (i.e. # of additional copies required, other state specific forms, etc.)

# **Cargo Transportation-Farm Products**

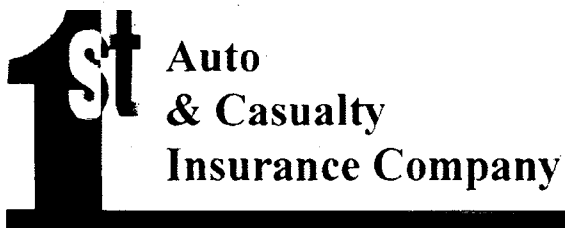
## **Rules**

This endorsement provides coverage for covered loss to the insured's owned farm products or livestock. The form follows the coverage, limitations and exclusions provided under the policy this endorsement is attached to. This coverage only applies to cargo in or upon vehicles identified and shown on the policy declaration page and is actual cash value coverage up to the stated amount. The cargo deductible is a separate \$250 for all covered perils.

## **Cargo Rate**

All owned farm products (maximum coverage amount \$75,000)

Rate per \$100---\$0.50



April 21, 2008

LLYWEYIA RAWLINS  
ARKANSAS INSURANCE DEPARTMENT  
PROPERTY & CASUALTY DIVISION  
1200 WEST THIRD ST  
LITTLE ROCK AR 72201-1904

**RECEIVED**

APR 24 2008

PROPERTY AND CASUALTY DIVISION  
ARKANSAS INSURANCE DEPARTMENT

Re: Commercial Auto-Farm Truck Program  
Aid Filing: ARK-125597523

Dear Ms Rawlins:

Per your request, attached is the revised cargo form and it should now comply with Ark Code ANN. 23-79-203 on non-binding and voluntary arbitration.

Please feel free to contact me via phone or e-mail.

Sincerely,

A handwritten signature in black ink, appearing to read 'William D. Viney'.

William D. Viney, CIC, CPCU, AIM  
Underwriting Manager  
wviney@1stauto.com

Approved until withdrawn  
or revoked

Attachments

APR 25 2008

Arkansas Insurance Department  
By: A handwritten signature in black ink, appearing to be the initials 'LK'.

"schedule of coverages" while in "transit" including loading and unloading.

- A. "We" only cover described property in an owned vehicle that is scheduled on this endorsement.
- B. "We" only cover loading and unloading if the described property is loaded from or unloaded onto a sidewalk, street, loading dock, bin, or similar area that is adjacent to an "owned vehicle" scheduled on the policy.

### PROPERTY NOT COVERED

- A. Art, Antiques and Furs - "We" do not cover objects of art, antiques, or fur garments.
- B. Carrier for Hire - "We" do not cover property of others that "you" are responsible for as:
  - 1. a carrier for hire;
  - 2. transporting non-owned property; or
  - 3. an arranger of transportation; this includes car loader, consolidator, broker, freight forwarder, or shipping association.
- C. Jewelry, Stones and Metals - "We" do not cover jewelry, precious or semi-precious stones, gold, silver, platinum, or other precious metals or alloys.
- D. Lease Agreement - "We" do not cover property for which "you" are contractually liable under a lease agreement with any transportation carrier.
- E. Live Animals - "We" do not cover animals including cattle or poultry unless death is caused or made necessary by a "specified peril".
- F. Mail - "We" do not cover mail shipments in the custody of the U.S. Postal Service.
- G. Money and Securities - "We" do not cover accounts, bills, currency, food stamps, or other evidences of debt,

lottery tickets, money, notes, or securities.

- H. Samples - "We" do not cover samples while in the custody of a sales representative.
- I. Storage - "We" do not cover property held in storage.

### COVERAGE EXTENSIONS

Provisions that apply to coverage extensions.

The following coverage extensions indicate an applicable "limit" scheduled on the endorsement.

Unless otherwise indicated, the coverages provided below are part of, and not in addition to, the applicable "limit" for coverage described under property covered.

The "limit" provided under a Coverage Extension cannot be combined or added to the "limit" for any other Coverage Extension or Supplemental Coverage including a Coverage Extension or Supplemental Coverage that is added to this endorsement.

- A. Debris Remove:
  - 1. Coverage - "We" pay the cost to remove the debris of covered property that is caused by a covered peril.
  - 2. We Do Not Cover - This coverage does not include costs to:
    - a. Extract "pollutants" from land or water; or
    - b. Remove, restore, or replace polluted land or water.
  - 3. Limit - "We" do not pay any more under this coverage than 25% of the amount "we" pay for the direct physical loss. "We" will not pay more for loss to property and debris removal combined than the "limit" for the damaged property.
  - 4. Additional Limit - "We" pay up to an additional \$5,000 for debris removal expense when the debris removal



expense exceeds 25% of the amount "we" pay for direct physical loss, or when the loss to property and debris removal combined exceeds the "limit" for the damaged property.

5. You Must Report Your Expenses - "We" do not pay any expenses unless they are reported to "us" in writing within 180 days from the date of direct physical loss to covered property.
6. Emergency Removal -
  - a. Coverage - "We" pay for any direct physical loss to covered property while it is being moved or being stored to prevent a loss caused by a covered peril.
  - b. Time Limitation - this coverage applies for up to 30 days after the property is first moved. Also, this coverage does not extend past the date on which this policy expires.

#### **PERILS COVERED**

"We" cover risks of direct physical loss unless the loss is limited or caused by a peril that is excluded.

#### **PERILS EXCLUDED**

A. "We" do not pay for loss or damage caused directly or indirectly by one or more of the following excluded causes or events. Such loss or damage is excluded regardless of other causes or events that contribute to or aggravate the loss, whether such causes or events act to produce the loss before, at the same time as, or after the excluded causes or events.

1. Civil Authority -- "We" do not pay for loss caused by order of any civil authority, including seizure, confiscation, destruction, or quarantine of property. "We" do cover loss resulting from acts of destruction by the civil authority to prevent the spread of fire, unless the fire is caused by a peril excluded under this coverage.

2. Nuclear Hazard - "We" do not pay for loss caused by or resulting from a nuclear reaction, nuclear radiation, or radioactive contamination (whether controlled or uncontrolled; whether caused by natural, accidental, or artificial means). Loss caused by nuclear hazard is not considered loss caused by fire, explosion or smoke. Direct loss by fire resulting from the nuclear hazard is covered.
3. War and Military Action - "We" do not pay for loss caused by:
  - a. war, including undeclared war or civil war; or
  - b. a warlike action by a military force, including action taken to prevent or defend against an actual or expected by any government, sovereign, or other authority using military personnel or other agents;
  - c. insurrection, rebellion, revolution, unlawful seizure of power including action taken by governmental authority to prevent or defend against any of these.

With regard to any action that comes within the "terms" of this exclusion and involves nuclear reaction, nuclear loss is unexplained or mysterious radiation, or radioactive contamination, this War and Military Action Exclusion will apply in place of the Nuclear Hazard Exclusion.

B. "We" do not pay for loss or damage that is caused by or results from one or more of the following:

1. Contamination Or Deterioration - "We" do not pay for loss caused by contamination or deterioration including corrosion; decay; fungus; mildew; mold; rot; rust; or any quality, fault, or weakness in the covered property that causes it to damage or destroy itself.

But if contamination or deterioration the results in a "specified peril", "we" do cover the loss or damage caused by that "specified peril"

2. Criminal, Fraudulent, Dishonest, Or Illegal Acts - "We" do not pay for loss caused by or resulting from criminal, fraudulent, dishonest, or illegal acts committed alone or in collusion with another by:
  - a. "you";
  - b. others who have an interest in the property;
  - c. others to whom "you" entrust the property;
  - d. "your" partners, officers, directors, trustees, joint ventures, or "your" members or managers, if "you" are a limited liability company; or
  - e. the employees or agents of a., b., c., or d. above, whether or not they are at work.

This exclusion does not apply to acts of destruction by "your" employees, but "we" do not pay for theft by employees or seasonal workers.

3. Loss of Use - "We" do not pay for loss caused by or resulting from loss of use, delay, or loss of market.
4. Missing Property - "We" do not pay for missing property where the only proof of loss is unexplained or mysterious disappearance of covered property, or shortage of property discovered on taking inventory, or any other instance where there is no physical evidence to show what happened to the covered property.
5. Pollutants - "We" do cover any resulting loss caused by a "specified peril".
6. Spoilage - "We" do not pay for loss to "perishable stock" caused by "spoilage".

7. Temperature/Humidity - "We" do not pay for loss caused by humidity, dampness, dryness, or changes in or extremes of temperature.

But if dryness, dampness, humidity, or changes in or extremes of temperature results in a "specified peril", "we" do cover the loss or damage caused by that "specified peril".

8. Voluntary Parting - "We" do not pay for loss caused by or resulting from voluntary parting with title to or possession of any property because of any fraudulent scheme, trick or false pretense.
9. Wear and Tear - "We" do not pay for loss caused by wear and tear, marring or scratching.

But if wear and tear, marring or scratching results in a "specified peril", "we" do cover the loss of damage caused by the "specified peril"

#### **WHAT MUST BE DONE IN CASE OF LOSS**

- A. Notice - In case of a loss, "you" must:
  1. give "us" or "our" agent prompt notice including a description of the property involved ("we" may request written notice); and
  2. give notice to the police when the act that causes the loss is a crime.
- B. You Must Protect Property - "You" must take all reasonable steps to protect covered property at and after an insured loss to avoid further loss.
  1. Payment Of Reasonable Costs - "We" do pay the reasonable costs incurred by "you" for necessary repairs or emergency measures performed solely to protect covered property from further damage by a peril insured against if a peril insured against has already caused a loss to covered property. "You" must keep an accurate record of such costs.

"Our" payment of reasonable costs does not increase the "limit".

2. We Do Not Pay - "We" do not pay for such repairs or emergency measures performed on property which has not been damaged by a peril insured against.
- C. Proof Of Loss -- "You" must send "us", within 60 days after "our" request, a signed, sworn proof of loss. This must include the following information:
  - a. the time, place, and circumstances of the loss;
  - b. other policies of insurance that may cover the loss;
  - c. "your" interest and the interests of all others in the property involved, including all mortgages and liens;
  - d. changes in title of the covered property during the policy period; and
  - e. estimates, specifications, inventories, and other reasonable information that "we" may require to settle the loss.
- D. Examination - "You" must submit to examination under oath in matters connected with the loss as often as "we" reasonably request and give "us" sworn statements of the answers. If more than one person is examined, "we" have the right to examine and receive statements separately and not in the presence of others.
- E. Records -- "You" must produce records, including tax returns and bank microfilms of all canceled checks relating to value, loss, and expense and permit copies and extracts to be made of them as often as "we" reasonably request.
- F. Damaged Property - "You" must exhibit the damaged and undamaged property as often as "we" reasonably request and allow "us" to inspect or take samples of the property.

- G. Volunteer Payments - "You" must not, except at "your" own expense, voluntarily make any payments, assume any obligations, pay or offer any rewards, or incur any other expenses except as respects protecting property from further damage.
- H. Abandonment - "You" may not abandon the property to "us" without "our" written consent.
- I. Cooperation - "You" must cooperate with "us" in performing all acts required by this policy.

#### **VALUATION**

- A. Actual Cash Value - The value of covered property is based on the actual cash value at the time of loss (with a deduction for depreciation).
- B. Pair or Set - The value of a lost or damaged article which is part of a pair or set is based on a reasonable proportion of the value of the entire pair or set. The loss is not considered a total loss of the pair or set.
- C. Loss To Parts - The value of a lost or damaged part of an item that consists of several parts when it is complete is based on the value of only the lost or damaged part or the cost to repair or replace it.

#### **HOW MUCH WE PAY**

- A. Insurable Interest - "We" do not cover more than "your" insurable interest in any property.
- B. Deductible - "We" pay only that part of "your" loss over the deductible amount indicated on the "schedule of coverages" in any one occurrence.
- C. Loss Settlement Terms - Subject to paragraphs A., B., D., and E. under How Much We Pay-We Pay The Lesser Of - "We" pay the lesser of:

1. the amount determined under Valuation;
  2. the cost to repair, replace, or rebuild the property with material of like kind and quality to the extent practicable; or
  3. the "limit" for "owned vehicle" or "terminal" location indicated on the "schedule of coverages".
- D. Insurance Under More Than One Coverage - If more than one coverage of this policy insures the same loss, "we" pay no more than the actual claim, loss, or damage sustained.
- E. Insurance Under More Than One Policy-
1. Proportional Share - "You" may have another policy subject to the same "terms" as this policy. If "you" do, "we" will pay "our" share of the covered loss. "Our" share is the proportion that the applicable "limit" under this policy bears to the "limit" of all policies covering on the same basis.
  2. Excess Amount - If there is another policy covering the same loss, other than that described above, "we" pay only for the amount of covered loss in excess of the amount due from that other policy, whether "you" can collect on it or not. But "we" do not pay more than the applicable "limit".

## **LOSS PAYMENT**

### **A. Loss Payment Options --**

1. Our Options -- In the event of loss covered by this coverage form, "we" have the following options:
  - a. pay the value of the lost or damaged property;
  - b. pay the cost of repairing or replacing the lost or damaged property;
  - c. rebuild, repair, or replace the property with other property of equivalent kind and quality, to the extent practicable, within a reasonable time; or

- d. take all or any part of the property at the agreed or appraised value.
2. Notice Of Our Intent To Rebuild, Repair, Or Replace -- "We" must give "you" notice of "our" intent to rebuild, repair, or replace within 30 days after receipt of a duly executed proof of loss.

### **B. Your Losses -**

1. Adjustment And Payment Of Loss - "We" adjust all losses with "you". Payment will be made to "you" unless another loss payee is named in the policy.
2. Conditions For Payment Of Loss - An insured loss will be payable 30 days after:
  - a. a satisfactory proof of loss is received; and
  - b. the amount of the loss has been established either by written agreement with "you" or the filing of an appraisal award with "us".
- c. Property Of Others -
  - 1). Adjustment And Payment Of Loss To Property Of Others - Losses to property of others may be adjusted with and paid to "you" on behalf of the owner; or the owner.
  - 2). We Do Not Have To Pay You If We Pay The Owner - If "we" pay the owner, "we" do not have to pay "you". "We" may also choose to defend any suits brought by the owners at "our" expense.

## **OTHER CONDITIONS**

- A. Appraisal - If "we" and "you" do not agree on the amount of loss, an appraisal of the loss may be made. However, an appraisal will be made only if both "we" and "you" agree, voluntarily, to have the loss appraised. If so agreed, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. The appraisers will state separately the actual cash value

and the amount of loss. If they fail to agree, they will submit their differences to the umpire. An appraisal decision will not be binding on either party. Each party will:

1. Pay its chosen appraiser; and
2. bare the expenses of the appraisal and umpire equally.

We do not waive any of our rights under this policy by agreeing to an appraisal.

B. Benefits to Others - Insurance under this coverage shall not directly or indirectly benefit anyone having custody of "your" property.

C. Conformity With Statute - When a condition of this coverage is in conflict with an applicable law, that condition is amended to conform to that law.

D. Estates - This provision applies only if the insured is an individual.

1. Your Death - On "your" death, "we" cover the following as an insured:
  - a. the person who has custody of "your" property until a legal representative is qualified and appointed; or
  - b. "your" legal representative

This person or organization is an insured only with respect to property covered by this coverage.

E. Policy Period is Not Extended - This coverage does not extend past the policy period indicated on the declarations.

F. Misrepresentation, Concealment, Or Fraud - This coverage is void as to "you" and any other insured if, before or after a loss:

1. "you" or any other insured have willfully concealed or misrepresented:

- a. a material fact or circumstance that relates to this insurance or the subject thereof; or
- b. "your" interest herein; or
- c. there has been fraud or false swearing by "you" or any other insured with regard to a matter that relates to this insurance

G. Policy Period - "We" pay for a covered loss that occurs during the policy period.

H. Recoveries -- If "we" pay "you" for the loss and lost or damaged property is recovered, or payment is made by those responsible for the loss, the following provisions apply:

1. "you" must notify "us" promptly if "you" recover property or receive payment;
2. "we" must notify "you" promptly if "we" recover property or receive payment;
3. any recovery expenses incurred by either are reimbursed first;
4. "you" may keep the recovered property but "you" must refund to "us" the amount of the claim paid, or any lesser amount to which "we" agree; and
5. if the claim paid is less than the agreed loss due to a deductible or other limiting "terms" of this policy, any recovery will be pro rated between "you" and "us" based on "our" respective interest in the loss.

I. Restoration of Limits - A loss "we" pay under this coverage does not reduce the applicable "limits".

J. Subrogation - If "we" pay for a loss, "we" may require "you" to assign to "us" "your" right of recovery against others. "You" must do all that is necessary to secure "our" rights. "We" do not pay for a loss if "you" impair this right to recover.

"You" may waive "your" right to recover from others in writing before a loss occurs.

K. Suit Against Us - No one may bring a legal action against "us" under this coverage unless:

1. all of the "terms" of this coverage have been complied with; and
2. the suit has been brought within six years after "you" first have knowledge of the loss.

If any applicable law makes this limitation invalid, then suit must begin within the shortest period permitted by law.

L. Territorial Limits - "We" cover property while it is in the United States of America, its territories and possessions, Canada, and Puerto Rico.



# Arkansas Insurance Department

Mike Beebe  
Governor



Julie Benafield Bowman  
Commissioner

April 15, 2008

William D. Viney, CIC, CPCU, AIM  
1<sup>st</sup> Auto & Casualty Insurance Company  
P.O. Box 7988  
Madison, WI 53707-7988

Re: Commercial Auto-Farm Truck Program  
AID Filing: ARKS-125597523

Dear Mr. Viney:

In regards to your form, rate and rule filing, the following will need to be implemented before I can approve it.

The appraisal clause(s) found in this filing should be amended to comply with Ark. Code Ann. §23- 79-203 and Arkansas Bulletin No. 19-89. The clause(s) must specifically state it is non-binding and voluntary.

For future reference: Per Arkansas Code 23-67-206: Property and casualty insurance for commercial risk, excluding workers' compensation, employers' liability, and professional liability insurance are **exempted from rate and rule filing and review.**

If you should have any questions or concerns, please contact me.

Sincerely,

A handwritten signature in cursive script that reads "Llyweyia Rawlins".

Llyweyia Rawlins  
Certified Rate and Form Analyst  
Property and Casualty Division  
501-371-2809 Fax 501-371-2748  
Email: [Llyweyia.rawlins@mail.state.ar.us](mailto:Llyweyia.rawlins@mail.state.ar.us)